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ABSTRACT

This study is designed to illuminate some of the issues, options, and activities related to developing fee based information services at a large academic library, and to suggest the feasibility of developing such services at Memphis State University Libraries. The basis for the study is the realization that libraries, through automation, a changed philosophy about their role, and finance models, can possibly offer some solutions to the problems confronting them by extending and exploiting their information storage and retrieval and generalized information handling talents. The study comprises three sections: (1) a literature review designed to address the scope and range of current activities at other academic libraries; (2) a survey of representative libraries designed to elicit their descriptions and comments on fee based services; and (3) a summary of conclusions, inferences, and remaining questions appropriate to the topic. Specific methodologies are discussed in the first and second sections. Appendices include the survey instrument, survey results, the survey mailing list, and a bibliography. (Author/THC)

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A FEASIBILITY STUDY FOR THE DEVELOPMENT OF FEE BASED SERVICES IN ACADEMIC LIBRARIES:

Report to the Vice President
for Business and Finance,
Memphis State University,
1984

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FEASIBILITY STUDY FOR THE DEVELOPMENT

OF FEE BASED SERVICES IN ACADEMIC LIBRARIES

Abstract

Academic libraries in the decade of the 1980's are found at a crucial decision point that may very well determine their futures as participants in and contributors to the information age. The traditional library has served the academic community for several decades largely unchanged in structure, mission, finance and organization. What changes have been manifest in recent years are for the most part attributable to the economic climate. Libraries in general, and it is especially true of academic libraries, have had to confront the problems of increased productivity of written records in all fields of study, the rising unit costs of materials, rising labor costs, increased demands by users and the need for more staff and better trained staff. Automaton has been no panacea, but has provided some minor relief as services and options can be maintained or extended which otherwise may not have been possible.

What drives this current study is the realization that libraries, through automation and a change in their thinking about their own mission, and finance models can possibly offer some solutions to their own problems by extending and exploiting their best resources and talents, namely, information storage and retrieval and generalized information handling talents. Perhaps no segment of society is better equipped leaving its traditional professional environment to confront and master the exigencies of the age of informaion. By developing fee based service operations, libraries have an opportunity to solve the recurrent

and debilitating problems of finance. In so doing, it may very well be the case that the libraries could individually and collectively extend their user base, increase their own socio-economic-political influence and begin to realize the traditional mission of libraries in America, that of providing for an informed citizenry. This study is designed to illuminate various issues, options and activities and suggest the feasibility of developing such services at Memphis State University Libraries.

INTRODUCTION TO THE FEASIBILITY STUDY

The following study on fee based services in academic libraries consists of three principle sections. First a literature review designed to discover the scope and range of current activities at other academic libraries. Second, a survey of representative libraries to elicit their descriptions and comments on fee based services. Third, a summary of conclusions, inferences and remaining questions appropriate to the topic. Specific methodologies are discussed in the appropriate section. Several appendices are included which will provide other useful information, especially in relation to the survey activity.

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REVIEW OF THE LITERATURE

INTRODUCTION

This study concerns the development of a variation of traditional library service in the academic library setting. What makes this study a matter of current interest is that it centers on the role and function of the library in the academic community and its changing relationships with that university community and the non-university users who have need of its resources. This review of the current literature in this area will seek to establish a basic understanding of the academic library and its changing role. From this review this study will glean a characterization of the opportunities that the university library has to become an active participant in the service and research life of the total community of research and development not limited to the boundaries of the scholarly community which has been its traditional place in society.

Some explanation of the scope and background of this situation is in order. Under the traditional scheme of things the function of the academic library is

essentially two-fold. First the academic library is designed to support the teaching curriculum of the institution of which it is a part. In so doing, it is expected to provide the acquisition, processing and dissemination mechanisms for the materials of study that are needed by the students and faculty in the course of their academic preparation for their professions and further education through the graduate schools. Secondly, the academic library is expected to provide for the advancement of research by supporting the advanced information needs of the research faculty as they conduct their work. Simply put the library is intended to support the diverse research needs of its entire user community. To accomplish these missions academic libraries have grown into complex organizations with many staff positions fulfilling a variety of precise roles. There is no doubt that they are expensive operations.

Mehtodology

To examine the issue at hand more thoroughly, an extensive literature search was conducted. Several hundred articles were discovered in the surveyed period 1960-84. The search was conducted in the ERIC database and through Library Literature the principle indexing service appropriate to library and information science. This initial group of articles was substantially reduced to eliminate the repetitive, argumentative or irrelevant materials. This review and the biliography which is attached to this document are intended to be viewed as a selective listing and in no way represents an exhaustive enumeration of all possible materials. Considerable measures of value were applied to all of the articles and books listed.

LIBRARIES IN THE INFORMATION ECONOMY

Historically labor intensive operations, libraries have been long-term participants in the "information age" preceeding the current vogue by several hundred years in the modern sense. Artandi (1979) succinctly characterizes the new information society:

> Characteristic of today's socially, economically, and technologically complex society is an ever-growing information output coupled with a constantly increasing reliance on information. Information is more and more considered a resource and recognized as a key to other resources. There is also a recognition of the political and economic value of information and of the direct link between information and political power. (p.18)

Against this age-old tradition, the contemporary library finds itself confronting a series of countervailing dynamics. First, the growth in the volume of published material suitable for library research collections has been growing at a tremendous pace. Not only is the number of articles in a given field of study increasing, but the number of journals in existence in that field is also growing in response to the demands of the publishing and communicating researchers in the field. The number of scholar-researchers in all fields has increased accordingly and they in turn are increasing the rate of publication in their own field, but in general as well as they become and continue to be active participants in the research and communication function of their specialities. Price (1963) was among the earliest and probably the most eloquent chroniclers of the growth of literatre in the sciences and in general. His description of

the "exponential" growth in the volumn of published material is valid in nearly all fields and accurately suggests te nature of te current problem and suggests increasing problems in the future.

As the frontiers of research are expanded and the complexity of study increases, the demands of researchers for more rapid and efficient access to the materials of their work also increase. The use of computer databases for the purpose of consulting abstracting ad indexing services as an alternative to printed resources has afforded significant benefits to speciality researchers and are especially valuable for researchers in fields for which no printed index exists or which is not available in their local library. The benefits of such advances and options are recognized by faculty, students and librarians alike (Raben, 1983). The importance of these changes are suggested and emphasized in the discussion of what has been described as the era of problem-oriented research (Boss, 1979). That is to say, research endeavors are no longer limited to the study of specific, discrete topics of interest within a limited discipline, nor are we limited to considering the interrelationships of study among several related disciplines. Rather, researchers are concerned with pulling together the related data that satisfies the information need dictated by the problem in its largest context and is no longer allowed the luxury of pure, isolated research directed at acquiring knowledge for its own sake. Researchers are drawn increasingly into the study of entire complex issues. Research work of this magnitude and complexity necessitates the use of the most efficient means of sorting through the whole of a fields literature to find those useful and relevant materials that are germaine to the current research work. Lancaster, Drasgow and Marks (1979) have clearly stated the relationship between the library, the information economy and the needs and demands of

researchers at the present time. Not only do they address current issues, but also concern themselves wth the developments in electronc publishing ad other forms of information transfer technology which will soon be upon the scene. Lancaster and Smith (1978) have raised an additional problem of information demand/use. Though the problems of the advanced researcher are often offered as the most pressing informaton need, librarians must also concern themselves with the problem of information to the practitioner in business, industry, and education and ultimately to the general public.

Even as there is increasingly large amounts of research productivity to draw upon in the conduct of current research, both in terms of publishing outlets, journals, and in the number of articles appearing in those journals, the ability of the library to maintain currency with those materials is lagging behind the availability at an alarming rate. Here enters the second dynamic of contemporary library experience. The rise in the cost of library materials on a per unit basis (e.g. book, subscription, index) has consistently led the inflation rate per annum for more than two decades (King, 1979). The support that libraries receive to increase their budgets to accomodate the increased costs has fallen far behind the need. Waters and Kralisz (1981) summarized well the plight of the public library in relation to dwindling resources and declining tax bases and their comments are entirely applicable to academic environments as well. Even inflation adjusted budgets which are designed to compensate for the changes in the economy as a whole are inadequate to maintain even the slightest hedge against these powerful economic forces. Further, such steady state budgetary responses offer no support to the fields with growing productivity, the new fields which are continuously emerging, and eventually to even maintain the previous levels of support to existing resources; hence, the

decade long process of journal cancellations.

Apart from the materials concerns, the contemporary library must concern itself with the increased cost of processing materials for use by the patrons. Being labor intensive, the library is strongly influenced by the cost of hiring the staff of skilled individuals who can process the materials. Labor costs have followed the inflationary cycle in libraries just as they have in all other industries. Additionally, the growth in the size of library collections and the complexity of the means by which those collections are maintained and processed has necessitated the increase in the number of staff needed. This double impact of more staff and more expensive staff has reduced further the ability of the library to adjust its resource allocation. Even if the inclination were present to reduce staff and use the money for resources, there exist regulations that prohibit that sort of transfer of funds. Further, any alteration in this way would at best have only slight advantages of short duration. A qualified staff is essential to effective library service. Neville (1982) has addressed this problem of organization and staffing with the perspective of reorganizing the library to conform to the needs of the user and in so doing has indirectly suggested the need for the library to change some fundamental self-perceptions. These changes are in keeping with the dynamic forces of the information economy under discussion here. Drake (1979) is somewhat more direct:

> libraries will have to change with the environment. High labor-intensity and massive collection building are no longer affordable even by the richest library. Innovative strategies to reduce the rate of increase in unit costs and to make off-site resources available are essential. Resource sharing and automation are two strategies likely to be

integrated into the library of te future. Both strategies require capital which may not be available in the traditional library budget. (p.96)

Despite all these problems there exist refreshing advances in technology that offer the promise of relief from some of the severity of the impact of these powerful forces. The increased use of computer technology for library applications has functioned for nearly two decades to reduce the rate of climb for the costs of processing materials. The economical advantages of library automation have yet to be fully realized though they are significant. Kinney (1981) provides a brief overview of the use of automation in support of resource sharing via telecommunications links and suggests that innovations such as these may soon cease to be exceptional and become rather commonplace information transfer resources and pathways. Libraries began adopting automation nearly as soon as it became available and its use has greatly accelerated in the last decade. Apart from the adaptation of routine housekeeping details of inventory control, such as circulation of books through automated circulation systems, libraries began using automation products for the cataloging of books through shared resources such as the OCLC system and similar services. In support of library research services, libraries began using computer supported databases for online access to abstracting and indexing services in the mid-sixties. Commercially available vendors of database products made their products available to the general library user throught the mediation of qualified staff who had received training in the use of these systems. Librarians added this training to their previous training and experience in information gathering activities to create what are now commonly referred to as information retrieval services. These activites were among the first to show the public that library

automation was of direct benefit to their specific tasks.

The advent of searching machine-readable databases provided two very different phenonema. On the one hand the ease with which these databases could be searched greatly facillitated the process by which researchers, working through a trained librarian/search analyst, could exercise control over the growing body of published literature. Simultaneously, the library had its first truly identifiable information which correctly described the nature of the specific information demands of its clientele. In contrast with the traditional scheme whereby the library would purchase materials based on the perceived need of the researcher in anticipation of the researchers need, the library in the early stages of the electronic age could wait for the need to be expressed by the researcher and then make contact with the database of need through the vendor/supplier of that database. Providing for the research need then became a discrete act of information delivery.

Several outcomes of this transition, which is by no means complete, soon surfaced. First, the need for a specially trained and experienced staff to act as intermediaries was perceived and the profession has in large part responded. This change in the role of library staff has necessitated the partial redistribution of staff from their former roles toward more speciallity in terms of not only their skills, but also in terms of their background and specific library function. The demands on library staff in the information age far outreach simple problems of system training and better scheduling for service. With the growing abundance of technically demanding information whether as generated or as needed, librarians are increasingly called upon to provide more policy input especially with reference to 1) placing values on information, 2) maintaining accurate inventories and access mechanisms to local and distant

collections in a clearinghouse-type role, and 3) in determining policies on use, access and availability (Diebold, 1983). In the circumstance of continued staffing at steady levels, even if no staff reductions took place, there exists the situation where staff are called upon to produce more, in response to more demand, and at a skill level which is greatly increased. As a case in point, MSU Libraries in 1980 employed an Informaton Retrieval Librarian to devote 75% of his time to computer literature searching. By 1984 this position had grown to at least 1.6 FTE plus the adition of .5 FTE clerical and .2 FTE administrative support to cover a five-fold increase in activity. Perhaps most problematic was the problem of redistributing staff to fulfill a variety of new functions with no decrease in the demand for continuing traditional services.

A second outcome of the addition of online services has been that the library can for the first time readily identify the direct costs of conducting research on behalf of the user. The costs of using the computer are easily identified when the work is done. Saffady (1979) developed a thorough example and method of determining the costs of online searching by fully costing the activity in the academic library environment. Not only is this apparent in the case of the online computer search, but it is equally apparent in the conduct of inter-library loan transactions, photocopying of resource materials, and even book cataloging and similar activities.

The foregoing discussion of the various forces and factors effecting the library are all coincident within the last decade. Given the state of financial support and the sudden arrival of economical means of computer driven support for research work, it is not surprising to note that as libraries began to provide for online searching, there came, too, the necessity to pass along to the service consumer the cost of providing the service. Friedes (1983) notes the

historical development of these services and the demands on staff and resources. The introduction of services, whether for fees or subsidized, resulted in staff changes and reorganizations for reasons of "efficiency and economy". The introduction of online searching in the academic library provided a means by which the costs of research work could be at least partially understood, but also a simplistic mechanism by which the implementation of user fees could be made. For all too many libraries, the choices were quite basic. Without the charging of user fees the service could not be provided. That the services were needed, and that users were willing to pay for the cost of the work is at least indirectly apparent in the fact that such services have not only continued to exist but show considerable growth rates each year (Cuadra, 1983).

By extension, the need to broaden the implementation of user fees for a variety of services has been increasingly apparent as libraries continue to increase not only the scope but the amount of the fees. More things cost more for the general user. Heretofore, the types of services for which fees have been used was largely concerned with the non-traditional or extended and specialized services, such as computer searching and interlibrary loan. As the financial and economic forces continue to consume more of the library dollar, it is not surprising to see, nor difficult to envision, a growing tendency to apply user fees wherever appropriate. "The extent to which libraries utilize service fees in the future will depend on institutional policy decisions (Friedes, 1979, p. 96)

These historical perspectives are intended to cast the setting in which the contemporary library has struggled to exist and continue to its mission. The implementation of user fees, which until recently were a limited phenomenon in library service, is borne of the demand for the information sources, the need

for passing along of these expenses, and the willingness of the patron to pay for the advantage of the service coupled with the ability in the computer age to identify and recover the costs of services received by the individual.

USER FEES IN PUBLICLY FUNDED LIBRARIES

The current literature reveals a variety of material on the topic of user fees for library service in publicly funded libraries. Much of this writing is polemical in nature and reveals the mind-set of the mainstream of American library service whose motto is seemingly that library services should be free and open to all. Waldhart and Bellardo, (1979) provide one of the best summaries of the various opposing arguments in the user fee debate. The most terse and lucid statement of the financial forces at work in contemporary library service is provided by Stevens (1982) who carefully avoids being drawn into the quagmire of tradition confronting reality. He also argues for the development of clear policy to serve as the foundation for the development of practices and budget perspectives that will clarify these issues, and in a sense, brings a level of cogency to the current malaise. Dougherty (1978-83) in a series of editorials, has provided increasingly intense recitations of the evils of user fees and their potentially devastating impact on the distribution of information in society. De Gennaro (1983) offers a socio-philosophical argument from the mainstream of serious thought on libraries in the information age and offers that the foundations of the information age reside in the historical American principle and practice of "free", i. e. publicly funded, libraries open to all and invokes the Jeffersonian admonition that an informed citizenry is essential to a free society.

Drake (1981) has assembled the single largest collection of material on user fees. Her work adequately characterizes not only the publicly funded library situation, but succeeds in presenting the varied viewpoints whether philosophical or practical. Pfister's (1981) contribution as an economist is far from a dismal perspective and provides one of the most rational insights on the impact which the library can expect when becoming more of a service business; these matters are perhaps more real and vital, in all fairness, than the issues of "free" use of "free" libraries which characterizes much of the professional literature. Rouse (1981) reports the status of fee based online literature searching in the Big Ten universities and finds that 9 of 10 absorb part or all of the indirect costs, 3 charge all or part of the indirect costs to the user and 8 charge only the direct costs. This review of selected activity briefly and forcefully indicates the wide variety of pricing options that are available, acceptable and workable. The issue for these libraries hinges on several matters: different computer systems used, different accomodations made on te basis of the user's status, e. g. student, faculty, or non-university affilliate. Brill's (1981) "business perspective" is a valuable model for practical charging alternatives which could be effectively translaed from its corporate origins to the publicly funded library.

The best research report available to date on user fees, specifically as a means of funding online database searching, is provided by Lynch (1981). The findings are largely inconclusive as to the theory and philosophy at work in the profession in the area of user fees. What is clear is that fully 72% of the 985 publicly funded libraries responding to the survey report that at least part, if not all, of the direct cost of the search is charged to the user. A more explicit finding of this research is that while only 65% of the public libraries

charge for these services, fully 98% of the academic libraries find the fees necessary. Another conclusion seems to be that while users are expected to pay for what they specifically consume (at least in part) it remains the library's public mission to provide for the start-up expenses, and for a considerable portion of the overhead, maintennance and almost always the full cost of the staff (88%). Reporting a similar survey of libraries in Britain Cannel and Mowat (1982) indicate that there, too, the tendency is to provide services with at least partial cost recovery (three to one).

Waldhart and Bellardo (1979) have studied reports and articles on pricing policies and conclude that as a whole the profession practices considerable implicit caution in the applying of fees. The inference drawn is that

> The use of a pricing mechanism in the public sector, instead of free distribution with financing exclusively by taxation, is considered most justifiable when: (1) benefits are primarily direct to the user, so that the fees will not cause significant loss of external benefits to society at large; (2) demand has some elasticity, so that user fees aid resource allocation and control excessive use; (3) charges do not result in unacceptable inequities to those user groups which lack the ability to pay for the services; (4) costs of collecting fees are relatively low in relationship to the funds generated by te fee. (p. 53)

Other literature reported indicates that there are three basic approaches to pricing information products and services. The need to determine these pricing strategies is detailed by Fergusson (1977) and several approaches are offered by Zais (1977) the most acceptable being driven by the actual cost of

providing the service in question. Casper (1977) addresses not only the matter of pricing library services, but provides an excellent summary of the problem area which returns to the philosophical opposition to user fees in general writing

> It is also important to stress that user fees do not necessarily mean that the objective of the library is profit maximization, as it is generally for private firms... Librarians need not abandon their social goals in adopting user fees for some categories of library services. (p. 309)

Several conclusions are forthcoming from the foregoing brief survey of the literature. First, there are a variety of internal and external factors that currently influence the publicly funded academic library in the direction of broadening its revenue base by the charging of fees to users, especially in the case of the provision of non-traditional services, such as online database searching. Second, there is considerable debate even within the library profession as to the appropriateness of such charges. Third, there exist services for which users are willing to pay some if not all of the incurred cost. Fourth, there are costs for the provision of services which are identifiable and attributable to the individual's use. Fifth, there is currently no universally accepted model for the allocation of costs and the setting of user fees in the publicly funded academic library; fees and charges are set on something of an ad hoc basis. Sixth, the suggestion and implementation of user fees does not necessarily portend the end of libraries as they have been known. Many, if not most, of the traditionally "free" services will continue, and serve their traditional consumer base.

FEE BASED SERVICES IN ACADEMIC LIBRARIES

A SUMMARY OF INSTITUTIONAL ACTIVITY

Introduction

The task for the remainder of this review is to examine the literature to discover the mechanisms by which administrative control and organization of these services is exercised. This paper will take as operating assumptions that 1) libraries need to develop broader financial base and 2) the library has services to offer which are of value to the user community. By reviewing other literature, this paper will examine the foundations of policy and practice that allow certain libraries to develop and implement a fee structure. The intent then is to derive some understanding that will serve as a basis for recommendations for Memphis State University and Memphis State University Libraries.

It is important to keep in mind that the variety of services that libraries offer to patrons on a fee basis is surprisingly diverse. Palmer (1983) offers the best summary not only of these activities, but also offers an excellent overview of the entire information service segment of the society whether based in the academic/public sector of library service or in the commercial sector. His findings are that library users make use of the following information gathering and analysis activities and suggests further that the list is in priority order.

Consulting on information or research needs

Extended research on specialized topics

Bibliographies

Manual literature searching

Information on demand in full text or synoptic form

Document delivery of the original source material

Online searching, information retrieval via computer database

Indexing of special collections

Seminars in information gathering and research

SDI (Selective Dissemination of Information) services on special topics

Analytical reports

Publications

As will be revealled in following passages most if not all of these services are currently being offered on a fee basis by several academic libraries. What will also be apparent is that the function of these services is largely dependent upon the organizational climate of the particular institution at which these services are offered. There is no consistent plan or model which has been applied in the development of the services. What is apparent to a growing number of academic libraries faced with the financial problems and the user demands coupled with the service capabilities provided by advanced technological innovation in recent years is that "Libraries are businesses . . .(and) we have to run them as a business operation . . .We are dealing with an intangible commodity of limitless value," in Palmer's words (p. 21).

ADMINISTRATIVE CONTROL OF FEE BASED SERVICES

As previously stated it is assumed that there are library services which are suitable for the application of fees. The capability exists for the provision of valued services and the patrons are willing to pay for the services they receive. The central point of this study is how these services are

organized within the institutional structure. Though the literature reveals a wealth of polemics on the use of fees, and there is considerable recitation of what services are covered by fee policies, there is a striking absence of literature that details the operation of the fee based services in the organizational environment. This paucity of operational detail will be addressed through the use of the service survey in the second part of this report. For the moment, on the basis of the literature search and analysis, this discussion must necessarily focus its attention on the notice given to five existing fee for service operations. These will be summarized on an institution-by-institution basis.

University of Michigan

In a brief and unsigned news item in Library Journal (1981) the opening of the fee based service at the University of Michigan was announced in 1981. No other description of the service was available from the literature. What can be seen is that the service is a separate organizational unit within the UM Library system, that is expected to recover costs and pay for itself entirely: resources, overhead, salaries, supplies and marketing. The estimated yearly income is expected to be at least $100,000. Though not specifically described as a for-profit operation, it is expected to receive no continuing subsidies from the library system.

Lehigh University

Also in 1981, Lehigh University announced the founding of its fee service unit. Cady (1982) and Richards and Cady (1983) report that this service is part of the Lehigh University Libraries in general and as such relies on the support and participation of the entire staff to a greater or lesser degree. This type of organization is easy to adopt in that it follows the traditional pattern of

academic library service. Non-university affiliated library users either pay a $1,000 retainer for services on an annual basis, or pay as they consume at a higher unit cost. These funds are consumed in the process of providing services presumably by costing-out the various activities involved. Those monies left in the account at the end of the fiscal year are forfeit to the library's general funds. Charges in excess of the retainer amount are charged to the client. At the time of these writings too little was known about the volume or types of service patterns that will develop. What is reported in these descriptions is that wide support from the library and university administrations allows this service to develop and enthusiastic support from the library users is developing.

The Center for Business Research, Long Island University

Opened in 1978 the Center for Business Research at the C. W. Post Center of Long Island University, came into being for the express purpose of providing support to the business and industrial community of Long Island, New York. Organized as a separate unit of the university library, it began with a revenue base from a Restricted Fund Account. Member clients, those who maintain an on-going relationship with the research unit, pay an annual retainer of $1,000 for the privilege of consulting the service freely. These clients also receive discounted service rates. Somewhat more is reported about the nature of the work, which is consistent with the aforementioned enumeration of activities by Palmer, and in this case, too, the service is comparatively young. Little is reported about its organizational operation and formal relationship with the institution of which it is a part. Currently operating with a staff of five librarians and four support staff the Center has close ties with the university library system as a whole. It is unclear, or unstated, as to whether this Center

pays all of its own bills, is subsidized by the library or university, and nothing is known at present about its accounting practices. (Grant, 1983)

Rice University's R. I. C. E. Service

Thompson (1983) reports extensively on the formation at Rice University, Houston, Texas of the Regional Information & Communication Exchange, R. I. C. E., a fee based information service which is a department of the Fondern Library at the University. This service is self-supporting and functions independently of all other departments of the library. The service has been in existence since 1967 started with a grant from the Office of State Technical Services. Its status as self-supporting has been constant since 1970. Within R. I. C. E. there are three separate departments which handle, respectively, research activities, interlibrary loan activities, and financial activities (bookkeeping, billing, etc.) A pool of clerical support with student employees functions across these three section or units of the Service. The success of this operation is evident in several ways: 1) it has received considerable support from the library and university administrations, 2) its service activities have grown considerably, 3) it pays its own bills, including salaries, 4) it provides Rice University with "excellent public relations" and 5) in at least one recent year was able to turn over to the library $38,000 in "profits" from its services which were used for library collection development. This in addition to purchasing equipment for its own use which was also available to other library departments to support their activity. R. I. C. E. enjoys considerable autonomy of action within the library and the university of which it is a part. However, there persists a considerable reliance on the university's support services and centralized operations, such as purchasing, payroll, personnel, and all operatons must conform overall to the policies and procedures of the university in compliance

with state and federal law and regulation, ever mindful also that the institution is still and will continue to be an educational insitution.

Cornell University

The ILR:ACCESS service at Cornell University's School of Industrial and Labor relations is perhaps the oldest of these fee based research services. Founded in 1946 to gather a comprehensive library on labor, the service has grown to provide extended research services to clients. Undeniably structured as a library this service extends its activities not so much for their own sake but as an extension of their function as a traditional library. Their cost recovery and fee basis does not seem to be an overwhelming priority. Fee based services, though significant, are not a primary focus. (WAY, 1983)

SUMMARY

As previously alluded, the literature in this area is largely descriptive of what activities are on-going in fee based services, but provides little that could be classed as analytical in nature. Considerable detail is wanting. The earlier mention of a survey of these services now takes on a greater significance to the completion of this task. The project needs greater discussion of the operational and organizational details of these services than is available through the published literature. Operations descriptions are either wholly absent or simplistic in their content.

Some conclusions can be drawn, though, at this point. Fee based services are at least selectively viable operations in the academic setting. Such services are quite variable in their mission and function. All of these existing services rely on the following factors: 1) a good library collection, 2) strong support from the host library, 3) strong support from the university administration, and 4) have considerable autonomy of operation whether within

the library or university structure.

LIBRARY FEE BASED SERVICE SURVEY

As a means of extending the information available about the nature, extent and operation of fee based services operating in academic libraries, a survey instrument was devised to sample the conditions of such services. The instrument, included as APPENDIX A, was prepared with the assistance of Dr. John Petry, Bureau of Educational Research, Memphis State University. The design and preparation phase included the time 9-22 March, 1984, and the survey was mailed to recipients on 22 March, 1984, accompanied by a cover letter reproduced in specimen form as APPENDIX B. The mailing list of survey recipients is included as APPENDIX C and contains 45 addresses. One address was later disqualified as being in reality a duplicate of another address. The mailing list was constructed in a piece-meal form from the literature; there is no extant directory of fee based services in academic libraries. Various publications, including articles written by service employees, lists of conference attendees, news articles, and publications from the field were all consulted. Some addresses were not confirmed as being actual sites of service activity and may reflect nothing more than an academic or professional interest on the part of the addressee which brought that person to the attention of this survey. A total of 20 responses were received by 4 May, 1984, a return of 45.5%. Two of the responses disregarded the use of the survey form and wrote lengthy narrative responses. The list of respondents is included in APPENDIX D. Although these cannot be included in the survey results per se, they do contribute to the overall scope of the study and these efforts are appreciated.

The survey was not constructed with intentions of statistical reliability, but sought to elicit descriptive information about the on-going activities. In this respect the response is not only gratifying, but helpful as well. The full responses to the survey questions are reported in APPENDIX E. What follows is a narrative discussion reflecting some conclusions and observations extrapolated from the survey itself.

Sections 1.0-5.2 Service Offerings : There appears to be considerable similarity in the range of services offered by the libraries responding, reflecting largely the relative development of this type of library. Some variations appear, but largely indicate local response to local demands and resources. It is noteworthy that fewer than 40% offer research services on a fee basis suggesting that fee based services are limited for the most part to traditional fee associated activities such as interlibrary loan and computer searching. 44% of the respondents indicated that their institutions offer document delivery services. Only 20% offer contractual services of any kind.

Section 6.0 University Policy : Without doubt these services in all their diversity are allowed under the various academic policies represented in the distribution of responses. Less than 40% were required to make formal requests to governing agents for permission to begin this work, and very few were required to file any kind of charter or license. In terms of the organizational structure, the majority of these services exist as either separate units apart from the library per se or are integrated within the mainstream of the library structure in an ad hoc manner dictated by demand and availability. Forty percent of these services exist in some relative form of budgetary autonomy yet it is very apparent that all work within the structure of the university and library frameworks, and are subordinate to university policy and regulation.

Section 7.0 Accounting Practices : In this area the greatest unanimity of operation was observed. 94.4% of these services have their own accounts for receipts and expenditures and 77.8% are allowed to carry their accounts past the fiscal year. This is a crucial component of these services which must retain an income and cash flow for sustaining their own work. Though there is some confusion apparently about the meaning of the term, slightly more than half of these reporting services are considered auxilliary enterprises. In this section it is important to realize that fully 77.8% report that they are considered self-sustaining operations. This should connote that a firm sense of reality and dedication and support is in place at a majority of service units. The application of charges to clients admits to great diversity once again reflecting institutional perspectives and the locally available resources. Audit control shows some variation but there is reported no unit which does not receive oversight in some form. The disposition of funds received, the income, shows probably the greatest categorical diversity; in general, though, the apparently strong tendency is that the monies earned by the services stay close to the unit either for its own use, or to support the activities and resources of the parent library. In only two instances do the extra monies revert to the general fund of the university. In this way is the unit supported on a sustained basis.

Section 8.0 Cost Determination : All of the responding institutions report a variety of cost factors used in the determination of charges to clients. There is no overwhelming pattern emergent from the survey results. Questions on the indirect cost rate, staffing levels and capitalization expense reflect no discernible pattern nor convey no understanding. The range of answers speak for themselves. Responses in these three categories were disappointing.

Section 9.0 Concept and Rationale : Less than 30% of these services were started with the idea of increasing or creating a cash flow or income for the library or other unit. One inference that can be drawn is that with the exception of those services described in the literature review and perhaps a few others, the majority of these service units came into being rather accidentally as an outgrowth of the availability of the resources and the expressed need of the community of users. Under this suggestion, it is understandable why certain basic pieces of operational information are wanting, such as, capitalization expense or indirect cost rates and why organizational structures are informal or imprecise. In short, in most cases there appears a definite absence of intentionality in the work organization, but this is in no way to be extended to the quality, quantity, or consistency of the work performed. It is also noticed that the services seem to enjoy a broad base of support in their activites from the library staff all the way through to the university's central administration.

Section 10 Outcomes : Perhaps the most telling compliment, at least on the surface, about the success of these services is that 77% report that they either break even or make money as a result of their activities. This may only be a surface compliment though, for what is not revealled in this survey is the extent to which these services are subsidized by the host institution; specifically in regard to staff salaries and overhead expenses. Another good sign for the future of these services is that with only one exception, all report that their services are growing in activity and demand and service delivery.

SOME CONCLUSIONS AND IMPLICATIONS

FOR MEMPHIS STATE UNIVERSITY LIBRARIES

As a result of the review of the literature and the survey of the operational conditions of existing services, there is nothing to suggest that such activities are not appropriate for Memphis State University Libraries. A brief review of the MSU policy manual reveals nothing that prohibits such activities.

What remains to be done in this regard is to determine the level of institutional support both material and moral for such an undertaking. Questions of capitalization must be addressed, as well as, motives, concept, organizational structure, autonomy, goals and missions of the university, availability of markets, and above all else the provision of staff and financial resources that demonstrate a commitment. Reflecting on the conclusions of the literature and survey extrapolations, it is apparent that success can be had in an informal yet supportive environment. What is perhaps the greatest conclusion is that even in informal situations success can be had; there are probably even greater possibilities for services that are intentionally developed with effective planning, sound concepts of mission and goals, and the willingness to commit time, money and expertise to this area of endeavor.

ACKNOWLEDGEMENTS

The author gratefully acknowledges the material support and personal encouragement of Dr. R. Eugene Smith, Vice President for Business and Finance, Mrs. Barbara Olmstead, Administrative Assistant to the Vice President, and Dr. Lester J. Pourciau, Jr., Director of Libraries, all of Memphis State University. Without the efficient and exacting work of Ms. R. Susan Lay, the survey would

not have been accomplished with the success it was. Dr. John Petry, Bureau of Educational Research, proved an invaluable resource in the conceptualizing and editing of the survey instrument. Catherine Evans is credited with unflagging support for this project and numerous valuable suggestions both editorial and material. Any errors, factual, procedural or interpretive are my own responsibility and whatever value is derived from this study is attributable to the aforementioned dedicated individuals.

SURVEY ON ADMINISTRATION OF FEE-BASED
SERVICES IN ACADEMIC LIBRARIES

PART A: Library Services and Fees. For which of the following activities does your library assess fees beyond direct cost recovery charges incurred in the conduct of the service?

1.0 **INTER-LIBRARY LOAN:**

1.1 To your local users? Yes _____ No _____

1.2 To borrowers at other institutions? Yes _____ No _____

1.3 Charge for photocopies? Yes _____ No _____

2.0 **COMPUTER-ASSISTED BIBLIOGRAPHIC INFORMATION RETRIEVAL:**

2.1 Surcharges for this service? Yes _____ No _____

2.1.1 If Yes, set fee _____ or percentage _____.

3.0 **GENERAL USE AND CIRCULATION PRIVILEGES:**

3.1 Are students and faculty assessed a library-use fee? Yes _____ No _____

3.1.1 If Yes, please state amount _____.

3.2 Does your library provide use and loan privileges for the general public or others who are not direct affiliates of the institution?
Yes _____ No _____

3.2.1 Is there any fee associated with these privileges? Yes _____ No _____

3.2.2 If Yes, please state the amount _____.

4.0 **RESEARCH SERVICES:**

4.1 Does your library provide research services for its users for which any specific charges are made? Yes _____ No _____

4.2 Are these charges levied on an hourly basis _____ -OR-
per project basis _____?

4.3 For whom are these services provided? _____

4.4 How were the service offerings determined?

need/demand _____ opportunity/capability _____

desire/interest _____ other reasons _____

4.5 Does your library operate a document delivery service?
Yes _____ No _____

5.0 CONTRACTUAL SERVICES:

5.1 Does your library provide any services on a contractual basis to any clients? Yes _____ No _____

5.2 What services are provided under these arrangements? Please specify type:

_____

PLEASE SPECIFY ANY SERVICE OFFERINGS NOT COVERED IN THIS SURVEY.

_____

PART B: Policy, Procedure and Practice. The following questions concern the relationship of the library to the central academic and business administration at your institution. Some explanations may require additional space.

6.0 UNIVERSITY POLICY:

6.1 Does university policy allow your library to engage in fee-based services and activities? Yes _____ No _____

6.2 Was a specific request necessary to the governing board or university administration for the implementation of the service units described above, e.g., charter, license? Yes _____ No _____

6.2.1 What is the formal relationship of the fee-based service unit(s) to the parent institution?

_____

6.3 Does the library or any of these service units have bugetary autonomy? Yes _____ No _____

6.3.1 If Yes, specify which have autonomy _____

6.4 Is the library or any of these service units exempt from general university policies and procedures for personnel, purchasing or accounting practices? Yes _____ No _____

6.4.1 If Yes, please specify exemptions _____

7.0 ACCOUNTING PRACTICES:

7.1 Are the revenues deposited in a special account? Yes _____ No _____

7.2 Are the funds carried over from one fiscal year to the next? Yes _____ No _____

7.3 Are these services considered auxiliary enterprises? Yes _____ No _____

7.4 Are these services considered self-sustaining? Yes _____ No _____

7.5 How are clients charged for services rendered?

Charges to subscription or annual fee? Yes _____ No _____

Contracted/negotiated fee? Yes _____ No _____

Hourly charge for work done? Yes _____ No _____

Discount for standing accounts? Yes _____ No _____

7.6 Who maintains audit control over these accounts? _____

7.7 What is the disposition of excess funds (profits) when they occur?

_____

8.0 **COST DETERMINATION:**

8.1 Which of the following factors are used to determine costs?

Direct expenses? Yes _____ No _____

Staff time? Yes _____ No _____

Clerical support? Yes _____ No _____

Equipment depreciation, amortization? Yes _____ No _____

Overhead? Yes _____ No _____

Supplies? Yes _____ No _____

8.2 What is the rate of indirect cost? _____

8.3 What is the staffing level (in FTE)? _____

8.4 What were the capitalization expenses? _____

9.0 **OPERATING CONCEPT AND RATIONALE:**

9.1 Are these services offered and provided with the notion of creating or expanding the cash-flow for the library?

Yes _____ No _____

9.1.1 Are these services provided because the capability exists? Yes _____ No _____

9.2 Does the university support and encourage fee-based service activities? Yes _____ No _____

9.3 Does the library administration support and encourage fee-based service activities? Yes _____ No _____

9.4 Is there general support among other library staff for the existence of fee-based services? Yes _____ No _____

10.0 OUTCOMES OF FEE BASED SERVICES:

10.1 Do the services make money? _____

break even? _____

lose money? _____

10.2 Characterize the growth of service _____

10.3 Have the capitalization expenses been recovered? Yes _____ No _____

10.3.1 If No, do you intend that they be recovered? Yes _____ No _____

11.0 INSTITUTIONAL INFORMATION:

11.1 When was the service originated? _____

11.2 Person completing survey: _____

Title: _____

For further information contact: _____

Title: _____

Institutional Address: _____

_____

_____

rsl
3/19/84
"E.SURVEY1 - E.SURVEY4"
RES Disk #2

MEMPHIS STATE UNIVERSITY
MEMPHIS, TENNESSEE 38152

Office of the Vice President
for Business and Finance

March 21, 1984

General & Technical On-Line Retrieval Service
Reference Department
University of Flordia Libraries
Gainesville, FL 32611

Dear Sir:

With this letter I am requesting several libraries across the country to provide informational support in a project I am conducting with and for the Vice President for Business and Finance, Memphis State University, Dr. R. Eugene Smith. The purpose of this study is to determine the feasibility of establishing a fee-based service unit within the university structure that would provide extended library services to the non-university community. I bring to this project seven years experience working in cost-recovery university library environments, and understand that the move to a potentially profit-making service concept bears with it a number of altogether different considerations.

Enclosed is a questionnaire I would appreciate your completing. As you will note, I am particularly interested in the internal operations, accounting and budget systems and structures under which these library services function. Further, I am interested in the formal relationship of any of your fee-based services to the parent institution.

I have endeavored to make the form as simple and easy-to-answer as possible; yet, I realize there are many very complex issues addressed in the enclosed questionnaire. I would appreciate your assistance in completing and returning the questionnaire by Friday, April 6, 1984, if possible. For your convenience, I have enclosed a self-addressed, stamped envelope.

Respectfully yours,

John E. Evans
Research Associate
to the Vice President
for Business & Finance

rsl

Enclosure

An Equal Opportunity University

SURVEY MAILING LIST

Lynne Foote, Director of Information Services
Colorado Technical Reference Center
University of Colorado
Campus Box 184
Norlin Library
Boulder, Colorado 80309

General & Technical On-Line Retrieval Service
Reference Department
University of Florida Libraries
Gainesville, Florida 32611

Bernard Bayer, Head
Mechanized Information Center
University Libraries
Ohio State University
1858 Neil Ave. Mall
Columbus, Ohio 43210

Anne K. Beaubien, Director
Michigan Information Transfer Source
400 Harlan Hatcher Graduate Library
University of Michigan
Ann Arbor, MI 48109

Elizabeth Lunden, Director
Regional Information and Communication Exchange
Rice University
Box 1892
Houston, TX 77001

LeRoy Zweifel, Director
Computerized Bibliographic Services
Wendt Engineering Library
University of Wisconsin at Madison
215 N. Randall Ave.
Madison, Wisconsin 53706

Director
Computerized Literature Searching Service
Central University Library C-075
Univeristy of California - San Diego
La Jolla, California 92093

Director
FSU Search
Strozier Library, Sci-Tech Division
Florida State University
Tallahassee, FL 32306

Text Information Processing Service
University of Florida Libraries
Library West
Gainesville, FL 32611

Mary Pensyl, Head
Computerized Literature Search Service
Massachusetts Institute of Technology Libraries
Rm. 14SM-48
77 Massachusetts Ave.
Cambridge, MA 02139

Research Information Services
Rutgers University/ The State University of New Jersey Libraries
College Ave. & Huntington Sts.
New Brunswick, NJ 08901

ILR: Access
Catherwood Library
New York State School of Industrial and Labor Relations
Cornell University, Box 1000
Ithaca, NY 14853

Susan Cady, Director of Technical Services
Lehigh University Libraries
Lehigh University
Bethlehem, PA

Mary Grant
Center for Business Research
C. W. Post Center of Long Island University
Northern Blvd.
Greenvale, NY 11548

James Dodd
Information Exchange Center
Prince Albert Memorial Library
Georgia Institute of Technology
Atlanta, Georgia 30322

Mary Chatfield, Librarian
Baker Library
Harvard University
Soldiers Field Road
Cambridge, MA 02163

Paul A. McWilliams, Executive Director
NASA Industrial Applications Center
710 LIS Building
135 N. Bellfield Ave.
University of Pittsburgh
Pittsburgh, PA 15260

Valerie Feinman
Library
Adelphi University
South Avenue
Garden City, New York 11530

Dwight Burlingame, Dean of Libraries
Bowling Green State Univeristy
Bowling Green, Ohio 43403

Marilyn Boria, Director
General Information Services
Chicago Public Library
425 N. Michigan Avenue
Chicago, Il 60611

Joseph F. Boykin, Jr.
Director of Libraries
Clemson University
Clemson, South Carolina 29631

Paula Kaufman, Librarian
Watson Library
Columbia University
New York, NY

Kathryn L. King
Reference Librarian
Grand Valley State College
Allendale, Michigan 49401

Ronald F. Dow, Director
Graduate Business Library
New York University
100 Trinity Place
New York, NY 10006

Miriam A. Drake, Assistant Director
Libraries and Audio Visual Center

Purdue University
West Lafayette, IN 47907

Richard Palmer
Associate Professor
Simmons College
300 The Fenway
Boston, MA 02115

John Brewster Smith, Director of Libraries
Library
State University at Stony Brook
East Setauket, NY 11733

Jean F. Butt, Head of Reference
Library
Tufts University
Medford, MA 02155

Shelley E. Phipps, Head
Science Engineering Library
University of Arizona
Tucson, Arizona 85721

Ruth Gibbs, Associate Librarian
Research and Instructional Services
University of California
Los Angeles, CA 90024

David Zaehringer
Business Bibliographer
Library
University of North Carolina
UNCC Station
Charlotte, NC 28223

Martha B. Lightwood, Assistant Librarian
Lippincott Library
Van Pelt - West/CH
Philadelphia, PA 19104

Lit Maxwell, Librarian
Robins School of Business
University of Richmond
Richmond, VA 23173

Shirley Hallblade, Director
School of Management Library
Vanderbilt University
Nashville, TN 37232

Billie Salter, Head

Social Sciences Library
Yale University
Box 1958
Yale Station, CN 06520

Director
Biomedical Library
Center for the Health Sciences
University of California
Los Angeles, CA 90024

Director
Library
University of Tennessee
Knoxville, TN 37916

Director
Library
Temple University
Philadelphia, PA 19122

Director
Morris Library
Southern Illinois University at Carbondale
Carbondale, Illinois 62901

Director
Computer Assisted Information Service
Reference Department
Northwestern University Library
Evanston, IL 60201

Director
UCSB Library
University of California
Santa Barbara, California 93106

Director
Stanford University Libraries
Stanford, California 94305

Director
Industrial Information Services
Box 123
Southern Methodist University
Dallas, TX 75275

SURVEY RESPONDENTS

Lynne Foote, Director of Information Services
Colorado Technical Reference Center
University of Colorado
Campus Box 184
Norlin Library
Boulder, Colorado 80309

Anne K. Beaubien, Director
Michigan Information Transfer Source
400 Harlan Hatcher Graduate Library
University of Michigan
Ann Arbor, MI 48109

Elizabeth Lunden, Director
Regional Information and Communication Exchange
Rice University
Box 1892
Houston, TX 77001

LeRoy Zweifel, Director
Computerized Bibliographic Services
Wendt Engineering Library
University of Wisconsin at Madison
215 N. Randall Ave.
Madison, Wisconsin 53706

Director
Computerized Literature Searching Service
Central University Library C-075
Univeristy of California - San Diego
La Jolla, California 92093

Director
FSU Search
Strozier Library, Sci-Tech Division
Florida State University
Tallahassee, FL 32306

Text Information Processing Service
University of Florida Libraries
Library West
Gainesville, FL 32611

Mary Chatfield, Librarian
Baker Library
Harvard University
Soldiers Field Road
Cambridge, MA 02163

Dwight Burlingame, Dean of Libraries

Bowling Green State Univeristy
Bowling Green, Ohio 43403

Joseph F. Boykin, Jr.
Director of Libraries
Clemson University
Clemson, South Carolina 29631

Ronald F. Dow, Director
Graduate Business Library
New York University
100 Trinity Place
New York, NY 10006

John Brewster Smith, Director of Libraries
Library
State University at Stony Brook
East Setauket, NY 11733

Shelley E. Phipps, Head
Science Engineering Library
University of Arizona
Tucson, Arizona 85721

Lit Maxwell, Librarian
Robins School of Business
University of Richmond
Richmond, VA 23173

Director
Biomedical Library
Center for the Health Sciences
University of California
Los Angeles, CA 90024

Director
Library
Temple University
Philadelphia, PA 19122

Director
Morris Library
Southern Illinois University at Carbondale
Carbondale, Illinois 62901

Director
Stanford University Libraries
Stanford, California 94305

Director
Industrial Information Services
Box 123

Southern Methodist University
Dallas, TX 75275

Computer Assisted Information Service
Reference Department
Northwestern University Library
Evanston, Illinois 60201

APPENDIX E

SURVEY ON ADMINISTRATION OF FEE BASED SERVICES IN ACADEMIC LIBRARIES
SURVEY RESPONSES

PART A: Library Services and Fees

For which of the following activites does you library assess fees beyond direct cost recovery charges incurred in the conduct of the service?

1.0 INTER-LIBRARY LOAN:

1.1 To your local users? Yes___ / No___

Yes = 6 33.3% No = 11 61% No Answer/Not Applicable = 1 5.5%

1.2 To borrowers at other institutions? Yes___ / No___

Yes = 7 38.9% No = 10 55.6% No Answer/Not Applicable = 1 5.5%

1.3 Charge for photocopies? Yes___ / No___

Yes = 12 66.1% No = 5 27.8% No Answer/Not Applicable = 1 5.5%

2.0 COMPUTER-ASSISTED BIBLIOGRAPHIC INFORMATION RETRIEVAL:

2.1 Surcharges for this service Yes___ / No___

Yes = 9 50% No = 9 50%

2.1.1 set fee_____ or percentage_____.

Fee = 5 55% Percentage = 3 33% No Answer/Not Applicable = 1 11%

3.0 GENERAL USE AND CIRCULATION PRIVILEGES:

3.1 Are students and faculty assessed a library-use fee? Yes___ / No___.

No = 18 100%

3.1.1 No Answer/Not Applicable = All

3.2 Does your library provide use and loan privileges for the general public or others who are not direct affiliates of the institution? Yes___ / No___.

Yes = 16 89.9% No = 2 11.1%

3.2.1 Is there any fee associated with these privileges Yes___ / No___.

Yes = 12 66.7% No = 6 33.3%

3.2.2 If Yes, please state the amount. _____

Range from $10 to $1000 per year

4.0 RESEARCH SERVICES:

4.1 Does your library provide research services for its users for which any specific charges are made? Yes___ / No___

Yes = 7 38.9% No = 11 61.1%

4.2 Are these charges levied on an hourly _____ or per project ____ basis?

Hourly = 4 22.2% Project = 2 11.1% Both = 3 16.7%

No Answer/Not Applicable = 11 61.1%

4.3 For whom are these services provided? _____.

Anyone = 3 16.7%
Business = 3 16.7%
Faculty and Graduate Students = 1 5.6%
Non-University = 1 5.6%
No Answer/Not Applicable = 10 55.6%

4.4 How were the service offerings determined? opportunity/capability _____ desire/interest____ need/demand_____ other reasons _____.

need/demand = 8
opportunity/capability = 7
desire/interest = 5
other (unspecified) = 1

total giving reason = 44% No Answer/Not Applicable = 10 55.6%

4.5 Does your library operate a document delivery service ? Yes ___ / No ___

Yes = 8 44.4% No = 9 50% No Answer/Not Applicable = 1 5.6%

5.0 CONTRACTUAL SERVICES:

5.1 Does your library provide any services on a contractual basis to any clients? Yes___ / No___

Yes = 4 22.2% No = 14 77.8%

5.2 What services are provided under these arrangements? Please specify type:

_____
_.

All = 4 22.2% No Answer/Not Applicable = 12 66.7%
SDI = 1 5.6% Computer Searching = 1 5.6%

PLEASE SPECIFY ANY SERVICE OFFERINGS NOT COVERED IN THIS SURVEY.

_____.

****
***

PART B: Policy, Prodecure and Practice

The following questions concern the relationship of the library to the central academic and business administration at your institution. Some explanations may require additional space.

6.0 UNIVERSITY POLICY:

6.1 Does university policy allow your library to engage in fee based services and activities? Yes___ / No___

Yes = all

6.2 Was a specific request necessary to the governing board or university administration for the implementation of the service units described above, e.g., charter, license? Yes___ / No___

Yes = 7 38.9% No = 10 55.6% No Answer/Not Applicable = 1

6.2.1 What is the formal relationship of the fee based service unit(s) to the parent institution?

_____.

Same entity = 6 33.3% Separate division = 6 33.3%
Part of another unit = 2 11.1% No Answer/Not Applicable = 4 22.2%

6.3 Does the library or any of these service units have budgetary autonomy? Yes___ / No___

Yes = 7 38.9% No = 9 50%
No Answer/Not Applicable = 2 11.1%

6.3.1 If Yes, specify which have autonomy
_____.

Library = 2 11.1% Unit = 4 22.2% No Answer/Not Applicable = 12 66.6%

6.4 Is the library or any of these service units exempt from general university policies and procedures for personnel, purchasing or accounting practices?
Yes ___ / No ___.

Yes = 0 No = 17 94.4% No Answer/Not Applicable = 1 5.6%

6.4.1 If Yes, please specify exemptions.
_____.

No Answer/Not Applicable = all

7.0 ACCOUNTING PRACTICES:

7.1 Are the revenues deposited in a special account? Yes ___ / No ___

Yes = 17 94.4% No = 5.6%

7.2 Are the funds carried over from one fiscal year to the next?
Yes ___ / No ___

Yes = 14 77.8% No = 4 22.2%

7.3 Are these services considered auxilliary enterprises? Yes ___ / No ___

Yes = 10 55.6% No = 6 33.3% No Answer/Not Applicable = 2 11.1%

7.4 Are these services considered self-sustaining? Yes ___ / No ___

Yes = 14 77.8% No = 4 22.2%

7.5 How are clients charged for services rendered?
Charges to subscription or annual fee? Yes ___ / No ___

Yes = 7 38.9% No = 6 33.3% No Answer/Not Applicable = 5 27.8%

Contracted/negotiated fee? Yes ___ / No ___

Yes = 6 33.3% No = 4 22.2% No Answer/Not Applicable = 8 44.4%

Hourly charge for work done? Yes ___ / No ___

Yes = 9 50.0% No = 2 11.1% No Answer/Not Applicable = 7 38.9%

Discount for standing accounts? Yes ___ / No ___

Yes = 2 11.1% No = 7 38.9% No Answer/Not Applicable = 9 50.0%

7.6 Who maintains audit control over these accounts? _____.

University = 10 55.6% Library = 5 27.8%
No Answer/Not Applicable = 3 16.6%

7.7 What is the disposition of excess funds (profits) when they occur?
_____.

University fund	2	11.1%
Never happened	4	22.2%
Cover expenses	4	22.2%
No profit allowed	2	11.1%
Retained by unit	2	11.1%
Given to library	3	16.6%
Carried over/year	1	5.6%

8.0 COST DETERMINATION:

8.1 Which of the following factors are used to determine costs?
Direct expenses? Yes ___ / No ___

Yes = 16 89.9% No = 1 5.5% No Answer/Not Applicable =
1

Staff time? Yes ___ / No ___

Yes = 11 61.1% No = 6 33.3% No Answer/Not Applicable =
1

Clerical support? Yes ___ / No ___

Yes = 10 55.6% No = 7 38.9% No Answer/Not Applicable =
1

Equipment depreciation, amortization? Yes ___ / No ___

Yes = 9 50% No = 8 44.4% No Answer/Not Applicable =
1

Overhead? Yes ___ / No ___

Yes = 10 55.6% No = 7 38.9% No Answer/Not Applicable =
1

Supplies? Yes ___ / No ___

Yes = 12 66.7% No = 5 27.8% No Answer/Not Applicable =
1

8.2 What is the rate of indirect cost ? _____.

Range of answers from unknown to 41.6%

8.3 What is the staffing level (in FTE)? _____.

Range of answers from .25 to 20+ FTE

8.4 What were the capitalization expenses? _____.

Range of answers from unknown to $50,000

9.0 OPERATING CONCEPT AND RATIONALE:

9.1 Are these services offered and provided with the notion of creating or expanding the cash-flow for the library? Yes ___ / No ___

Yes = 5 27.7% No = 13 72.2%

9.1.1 Are these services provided because the capability exists?
Yes ___ / No ___

Yes = 14 77.8% No = 3 16.6%
No Answer/Not Applicable = 1 5.6%

9.2 Does the university support and encourage fee based service activities?
Yes ___ / No ___

Yes = 13 72.2% No = 2 11.1%
No Answer/Not Applicable = 3 16.6%

9.3 Does the library administration support and encourage fee based service activities? Yes ___ / No ___

Yes = 18 100%

9.4 Is there general support among other library staff for the existence of fee based services? Yes ___ / No ___

Yes = 16 88.9% No = 2 11.1%

10.0 OUTCOMES OF FEE BASED SERVICES:

10.1 Do the services make money? ____ break even? ____ lose money? ____.

Make money = 6 33.3%
Break even = 8 44.4%
lose money = 2 11.1%

can't say = 2 11.1%

10.2 Characterize the growth of service. _____.

No Answer/Not Applicable = 3 16.7%
Decline = 1 5.6%
Slow/Small = 3 16.7%
Moderate = 8 44.4%
Rapid = 0
Stable = 2 11.1%
Can't say = 1 5.6%

10.3 Have the capitalization expenses been recovered? Yes ___ / No ___

Yes = 6 33.3% No = 7 38.9%
No Answer/Not Applicable = 5 27.8%

10.3.1 If No, do you intend that they be recovered? Yes ___ / No ___
Yes = 4 22.2% No = 4 22.2%
No Answer/Not Applicable = 10 55.6%

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